

MAR 30 2005

NEIFELD REF.: CAT/36-GIUL-CON

IN THE UNITED STATES PATENT & TRADEMARK OFFICE

IN RE APPLICATION OF: John GIULIANI et al.

USPTO CONFIRMATION CODE: 4797

SERIAL NO: 09/286,304

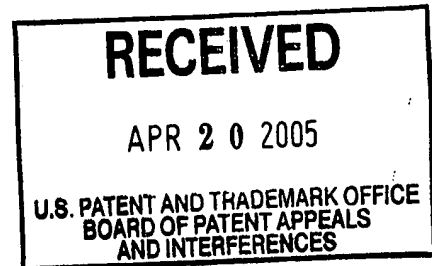
APPEAL NO.: 2002-2256

FILED: April 6, 1999

EXAMINER: Frantzy POINVIL

GROUP ART UNIT: 2164

FOR: Method and Apparatus for Generating Purchase Incentives Based on Price Differentials



BOX STOP APPEAL BRIEF - PATENTS

ASSISTANT COMMISSIONER FOR PATENTS

P.O. BOX 1450

ALEXANDRIA, VA 22313-1450

**37 CFR 41.52(b) SECOND REQUEST FOR REHEARING,**  
**AUTHORIZED IN THE FIRST DECISION ON REHEARING,**  
**AND BASED UPON THE PANEL TAKING *INCONSISTENT***  
***POSITIONS***

Sir:

In response to decision on request for rehearing mailed January 31, 2005, please consider the following second request for rehearing. While I have great respect for the Board, I recognize that these proceedings are complicated to evaluate. In that light, my comments herein are to the point, not to the individual.

**I. You Provided the Appellant a Right to Rehearing in Your Decision on Appeal Mailed January 31, 2005**

The panel (hereinafter "you") stated in the decision on rehearing mailed January 31, 2005 that the previous request for rehearing was moot and that appellants have the right to request rehearing of your decision on rehearing mailed January 31, 2005. See page 2 lines 25-26. Thus, pursuant to 37 CFR 41.52 the appellants file this second request for rehearing in response to the decision on request for rehearing mailed January 31, 2005.

**II. "Sustain" Should Not Be Used in BPAI Decision on Appeal**

Your understanding that "sustain" and "affirm" mean the same thing is incorrect. The dictionary definitions of those words do not support your understanding. *Affirm* means to validate or confirm, whereas *sustain* means to "support".

Moreover, the word "sustain" in a BPAI decision on appeal is ambiguous since it is not the word defined by regulation.

As a result, you have used "sustain" in at least one instance where it was unclear on the record whether you had reversed rejections of at least one claim, and whether your decision constituted a final decision. As a result, our client and the Solicitors Office needlessly wasted time on an appeal to the CAFC, now remanded to the USPTO. In re Scroggie, CAFC docket No. 05-1104. Thus, your use of ambiguous language places in doubt the existence of patent term adjustment, finality, and imposes needless burdens, at least in some cases.

In summary, your understanding of the impact your choice of words has does not account for the impact those words have when viewed objectively. There is no reason why you should continue to use "sustain" in opinions and there are clearly policy based reasons why you (and the BPAI generally) should stick to the statutorily and/or regulatorily proscribed language.

**III. Introduction**

I respectfully point out that you have taken inconsistent positions. First, in the original decision, you repudiated the examiner's original ground for rejection and affirmed on your own novel reasoning. On rehearing, you abandon your own novel reasoning and go back to relying solely on the examiner's original ground for rejection. I think that your admission that the

examiner failed to make a prima facie case in your original decision and your repudiation on rehearing of your novel reasoning in your original decision leaves you no choice but to reverse the examiner on those original grounds for rejection.

#### IV. The Examiner's Answer - Relevant Portion

In the examiner's answer mailed August 28, 2001, which is the ground of rejection upon which you now affirm, the examiner admitted that Deaton does not teach selecting incentive data based on the price of a second item, and the examiner alleged that it would have been obvious to select incentive data based on the price of a second item. The examiner's obviousness reasoning is specified in the examiner's answer at page 4 lines 4-10, wherein the examiner stated that:

*Deaton et al. does not explicitly teach selecting incentive data based on the price of a second item. Deaton et al teaches providing incentive data based on a dollar amount and the number and type of items purchased. Note column 69, lines 35-46 and column 101, lines 39-59. It would have been obvious to one of ordinary skill in the art at the time the invention was made to also select incentive based on the price of a second item in order to allow customer loyalty on purchasing a specific type of product as suggested by Deaton et al.*

[Examiner's Answer mailed August 28, 2001 page 4 lines 4-10.]

The examiner's first sentence coupled with his reliance in the third sentence on a motivation to modify clearly shows that the examiner admitted that Deaton did not disclose *selecting incentive data based on the price of a second item*. The examiner's use of the word "explicitly" in the first sentence above is surplusage. In this context, "explicitly" does not convey legal certainty. Thus, the examiner's grounds for rejecting claim 10 was that (1) Deaton failed to disclose the *selecting incentive data based on the price of a second item* and (2) it would have been obvious to modify Deaton to include that limitation.

The examiner alleged that the motivation to modify Deaton to provide depending selection incentive data on price of a second item was "to allow customer loyalty on purchasing a specific type of product."

You now (1) affirm the examiner's admission that Deaton does not disclose selecting incentive data based on the price of a second item and (2) agree with the examiner's argument that it would have been obvious to one of ordinary skill in the art at the time the invention was made to also select incentive based on the price of a second item in order to allow customer loyalty on purchasing a specific type of product. Your current position (agreeing with the examiner on item (2)) is directly contrary to your position in your September 23, 2004 original decision.

Therefore, because you admitted that the examiner failed to make a prima facie case in your original decision, and because you repudiated on rehearing your novel reasoning presented in your original decision, you have no choice but to reverse the examiner on those original grounds for rejection of claims 10-13, 15, 17-20, 22, and 24.

#### V. Original Appeal Decision - Relevant Portion

In your original decision, you pointed out that "[n]one of these [the examiner's] reasons [to modify Deaton to include the limitation of *selecting incentive data based on the price of a second item*] finds support in Deaton," and you went so far as to *criticize* the examiner stating that "it is not persuasive to make up motivation that is not supported by the reference." Decision page 10. Thus, in your original decision mailed September 23, 2004, you expressly repudiated the examiner's ground for rejections of claims 10-13, 15, 17-20, 22, and 24. That is, you indicated that the examiner did not create a prima facie case of obviousness for claims 10-13, 15, 17-20, 22, and 24 over Deaton.

Note your additional statements supporting this conclusion. At original decision page 9 lines 22-24 you state that you "do not understand or agree with this reasoning" of the examiner that it would have been obvious to modify Deaton "in order to allow customer loyalty on purchasing specific type of product," citing EA4.

Then, at original decision page 10, you stated that:

The examiner has proposed several reasons *why it would have been obvious to select an incentive based on the price of a second item* "in order to allow customer loyalty on purchasing a specific type of product as suggest by

Deaton et al." (EA4), "in order to widen the criteria when generating coupons so as to attract more customers to the system and also to allow customer loyalty on purchasing specific types of products" (EA6), and "in order to encourage shoppers to purchase many types of items especially out of season items and/or items not easily sold for particular reasons" (EA7). None of these reasons finds support in Deaton (or, at least, the examiner has not pointed to any). It is not persuasive to make up motivation that is not supported by the reference. Even if these statements were found in Deaton, it is not clear why they suggest the modification proposed by the examiner. [Decision on Appeal mailed September 23, 2004 page 10 lines 10-24; underlining and italics supplied for emphasis.]

In the foregoing passages, you categorically rejected the examiner's general reasoning for obviousness and each of his alleged assertions of factual support for his general reason for motivation to modify. Thus, you clearly admitted that the examiner did not present a prima facie case supporting the rejections of claims 10-13, 15, 17-20, 22, and 24 over Deaton.

#### IV. Decision on First Rehearing - Relevant Portion

In your decision on first rehearing, you stated that you vacated the portion of the original decision concerning claims 10-13, 15, 17-20, 22, and 24 and affirmed the rejections of those claims based solely on the examiner's original rejection. Specifically, you stated that:

Appellants filed a "REQUEST FOR REHEARING" (Paper No. 22) (pages referred to as "RR\_\_") of our decision (Paper No. 21) (Pages referred to as "D\_\_") wherein we sustained the rejection of claims 10-13, 15, 17-20, 22, and 24, and reversed the rejections of claims 14, 16, 21, and 23.

*We vacate the portion of the original decision concerning claims 10-13, 15, 17-20, 22, and 24, and affirm the rejection of those claims based on the examiner's original rejection.* [Pages 1-2; emphasis supplied.]

\*\*\*

We now feel that our reasoning was unnecessary and that the examiner's reasoning was sufficient. *Accordingly, we vacate that portion of our original opinion wherein we sustained the rejection of claims 10-13, 15, 17-20, 22, and 24, and substitute the following decision on those same claims.* [Page 2; emphasis supplied.]

\*\*\*

The portion of the original decision (Paper No. 21) entered September 23, 2004, concerning claims 10-13, 15, 17-20, 22, and 24 is vacated. The rejection of claims 10-13, 15, 17-20, 22, and 24 is sustained *based on the examiner's rejection.* [Page 4; emphasis supplied.]

Clearly, your decision on rehearing relies solely on the examiner's original ground for rejection - for which ground you properly noted in your original decision failed to make a prima facie case as to claims 10 et seq. Accordingly, because there was no prima facie case presented, your decision on first rehearing should have reversed the rejections of claims 10 et seq. You should now correct that error and reverse the rejections of claims 10 et seq. (1) because they are improper, (2) because the examiner's ground for rejection fails to make a prima facie case, and (3) because you admitted that the examiner's ground for rejection failed to make a prima facie case. Therefore, the rejections of claims 10-13, 15, 17-20, 22, and 24 should be reversed.

You include in your decision on rehearing surplusage language which I address below. This language is surplusage because you cannot reasonably state that you affirm solely on the examiner's grounds for rejection and then buttress that grounds with additional reasoning beyond that provided by the examiner. Your surplusage is additional reasoning, it is in fact the same reasoning you relied upon in the original decision - the reasoning you stated earlier in the decision on rehearing was "unnecessary", and it is also incorrect, as I show below.

**VII. The Surplusage in your Decision on Rehearing is (1) Improper and (2) incorrect**  
Your surplusage is recited in the following paragraph. In the decision on rehearing you stated:

Although we are not persuaded by the examiner's reasoning about the second items being a competitive items, we interpret the examiner's statement [at EA7 and quoted in the decision on rehearing at decision on rehearing page 3 lines 7-11 that "The purchase of an item involved considering a first item and the price of that first item. All other items being purchased at that instant are considered as second items. Some of these second items may also be viewed as competitive items."] to mean that an incentive based on a purchase transaction involving two or more items meets the independent claims and agree with this reasoning. As stated in our Decision (D9):

\*\*\* It is sufficient that some other item than the first item is used to meet the dollar amount limit. [Page 3; interpolation supplied, \*\*\* identifying excluded text.]

This argument is the same argument upon which you based your decision in the original decision for claims 10 et seq. Furthermore, the examiner did not allege that the existence of a second item provided a "dollar limit"; you did. The examiner merely stated that any other item was a second item. The argument you now present in the response to rehearing is the same argument that you presented in the decision on appeal, as indicated by the fact that you quote it from your original decision, and the applicant respectfully submits that it is incorrect. Claim 10 does not recite a "dollar limit". Claim 10 recites "means for selecting incentive data from said storage means depending upon" three pieces of data. Namely, claim 10 defines the "(1) purchase of a first item, (2) price of said first item, and (3) price of a second item."

First, you should completely discount your surplusage argument, because it clearly is not the ground of rejection imposed by the examiner, and your decision on rehearing clearly relies solely upon only the examiner's ground for rejection. The reason your decision on rehearing relies solely upon the examiner's original ground for rejection is because, as you stated therein, "our reasoning was unnecessary and that the examiner's reasoning was sufficient." Decision on rehearing page 2.

Your statement that the "examiner's reasoning was sufficient" is contradictory to your criticism and repudiation in your original decision of the examiner's ground for rejection.

Your use of "unnecessary" presumably means that you believe your reasoning was either (1) incorrect or (2) tantamount to a new ground of rejection.

If your reasoning is incorrect, you should not rely upon it.

If your reasoning is tantamount to a new ground of rejection, you cannot rely upon it unless you impose a new ground of rejection and reopen prosecution.

Second, the applicant submits that your argument is incorrect. The combination of limitations of (A) depending selection of incentive data on purchase of a first item, price of the first item, and price of a second item, is not the same combination of limitations as (B) depending selection of incentive data on purchase of a first item, price of the first item, and "dollar amount" value of a transaction. Those two sets define different limitations. You appear to be concluding that those two sets are equivalent, but they are not. Thus, your surplusage argument, even if considered, is incorrect.

Therefore, the rejections of claims 10-13, 15, 17-20, 22, and 24 are improper and you should reverse them.

**VIII. You Are Now Procedurally Required to Reverse the Examiner's Rejection or Remand**

Per 37 CFR 41.50, you may now affirm or reverse the decision of the examiner in whole or in part on the grounds and on the claims specified by the examiner. You have repudiated your surplusage arguments, since they are the same arguments in your original decision, which you stated on rehearing are "unnecessary", meaning either incorrect or improper, and you have relied solely upon the examiner's ground for rejection, which you have also repudiated. Since you admitted that the examiner has made no prime facie case, you have no basis on which to affirm. Accordingly, you should reverse.



**IX. Conclusion**

For the reasons stated above you should reverse all rejections.

Respectfully Submitted,

3/30/05  
DATE

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## CERTIFICATE OF TRANSMISSION UNDER 37 CFR 1.8

ATTORNEY DOCKET NUMBER: CAT/36-GIUL-CON  
U.S. APPLICATION NUMBER/PATENT NUMBER: 09/286,304  
FILED/ISSUED: April 6, 1999  
EXAMINER: Frantzy POINVIL  
GROUP ART UNIT: 2164  
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U.S. PATENT AND TRADEMARK OFFICE  
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In the event that any additional fees are due, including any fees required for any necessary Extension of Time to make the filing of the attached documents timely, charge the fees to Deposit Account No. 50-2106. Further, if these papers are not considered timely filed, then a petition is hereby made under 37 CFR 1.136 for the necessary extension of time.

**PAPERS FILED:** The following papers are transmitted herewith:  
37 CFR 41.52(b) SECOND REQUEST FOR REHEARING, AUTHORIZED IN THE FIRST DECISION ON REHEARING, AND BASED UPON THE PANEL TAKING INCONSISTENT POSITIONS

**CERTIFICATION:** I hereby certify that the foregoing papers are being facsimile transmitted to the U.S. Patent and Trademark Office on the date shown below.

Date: 3-30-05 Signature: Rebecca Brimmer  
Rebecca Brimmer, Neifeld IP Law, PC  
TEL: 703-415-0012 ext. 20

To: Fax Number: 703-872-9306  
Group Art Unit: \_\_\_\_\_

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